

Questar's income up 45%

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Bloomberg News

Deseret Morning News – October 27, 2006

Salt Lake-based Questar Corp., an oil and natural-gas producer that owns Utah's only gas utility, said Thursday that third-quarter net income rose 45 percent as it produced more gas from fields in the U.S. Rockies.

Net income rose to \$95.1 million, or \$1.08 a share, from \$65.8 million, or 75 cents, a year earlier. Revenue slipped 4.8 percent to \$555.1 million from \$582.9 million, Questar said in a statement.

The company boosted output of natural gas, oil and natural-gas liquids in the U.S. Rockies, Oklahoma and Louisiana by 16 percent to the equivalent of 29.2 billion cubic feet in the quarter. Questar shut about 32 million cubic feet of daily production earlier this month because of lower gas prices.

A loss at the gas utility narrowed to \$9.2 million from \$9.9 million a year earlier. Western gas utilities usually post losses during the spring and summer months when furnace use is lowest.

Earlier this month, Questar Gas said it would seek Utah Public Service Commission approval for a 10.45 percent cut in natural gas rates. The decrease, which would be the fourth rate reduction by the utility this year, would lower the typical homeowner's annual bill by \$118. It is expected to take effect Nov. 1.

Questar's results included a gain of \$15.8 million, or 18 cents a share, from asset sales.

Profit was reduced \$8.7 million, or 10 cents a share, for the cost of unsuccessful gas wells and \$3.2 million, or 4 cents, to write down the value of gas-sales contracts. Without those items profit would have been \$91.2 million, or \$1.04 a share.

Shares of Questar, which have gained 13 percent this year, rose 78 cents to \$85.82 Thursday on the New York Stock Exchange. The company released its earnings report after the close of North American markets.

The stock has nine buy ratings from analysts and four holds, according to data compiled by Bloomberg.